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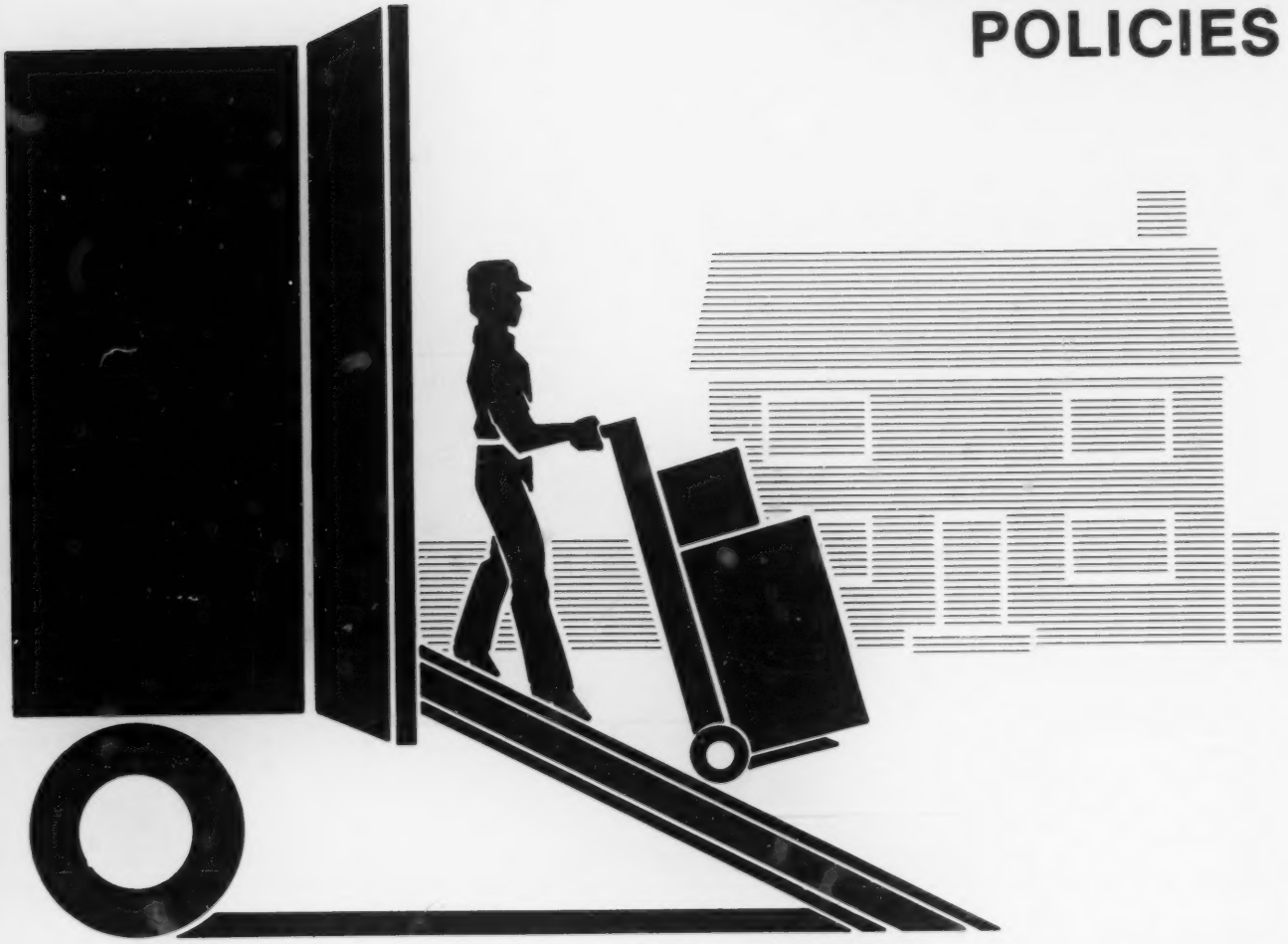
TWENTY-FOURTH ANNUAL SURVEY OF CORPORATE RELOCATION POLICIES



Atlas® Van Lines

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ATLAS VAN LINES
TWENTY-FOURTH SURVEY OF CORPORATE RELOCATION POLICIES
—SUMMARY OF FINDINGS—

As the longest running survey of its kind, the Annual Survey of Corporate Relocation Policies has been tracking trends in relocation policies for 24 years now. Notable among this year's findings are: indirect moving costs take a phenomenal increase of 44.3 percent over last year as compared to direct moving costs increasing 4.5 percent (Illustration A), employment assistance for trailing spouses shows an upward trend (Illustration B), the percentage of women as transferred employees is moving up (Illustration C), and as first identified by this survey in 1988, the emphasis on employee feedback above price in carrier evaluation continues (Illustration D).

Direct moving costs are classified as van line packing and transportation. Indirect moving costs are categorized as motel accomodations, family transportation, meals, maid service, appliance servicing, spousal counseling and similar items. Over the three years that this data has been gathered (Illustration A), the gap between these two costs has consistently narrowed.

Van line services (direct moving costs) are appearing to become a proportionately lower percentage of the overall relocation package. When the costs of real estate services are added to direct and indirect moving costs, the total relocation cost can be expected to total approximately $40,000. Based on that average, van line services accounted for only 13.5 percent of the average relocation package in 1990.

And it now appears that service has become the more important factor over cost in selecting those van line services. In last year's survey, cost (42.6 percent) was the primary reason for entering into a contract carriage agreement while service was second (40.0 percent). This year, the emphasis has switched. cost dropped to 39.5 percent and service became the primary reason with 47.5 percent of the response.

Along with that switch comes a change in experiences with contract carriage agreements. Last year, 60.3 percent evaluated their company's experience with contract carriage agreements as good or fair while 39.5 percent evaluated it as excellent. This year, 50.7 percent evaluated it as good or fair while 49.1 percent thought of it as excellent.

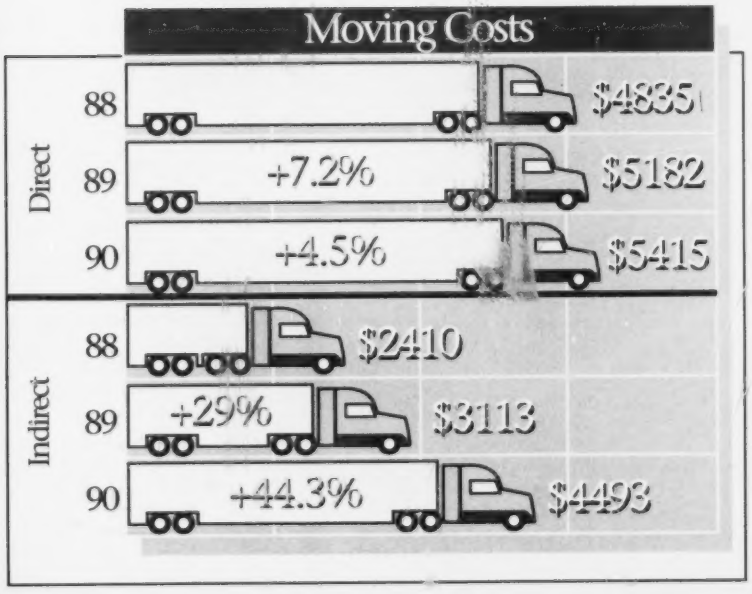

ILLUSTRATION A
The increases in 1989 over 1988 were 7.2 percent and 29.2 percent for the average costs of direct and indirect moving services respectively. The 1990 increases over 1989 were down to 4.5 percent for direct moving costs and up to 44.3 percent for indirect moving costs.

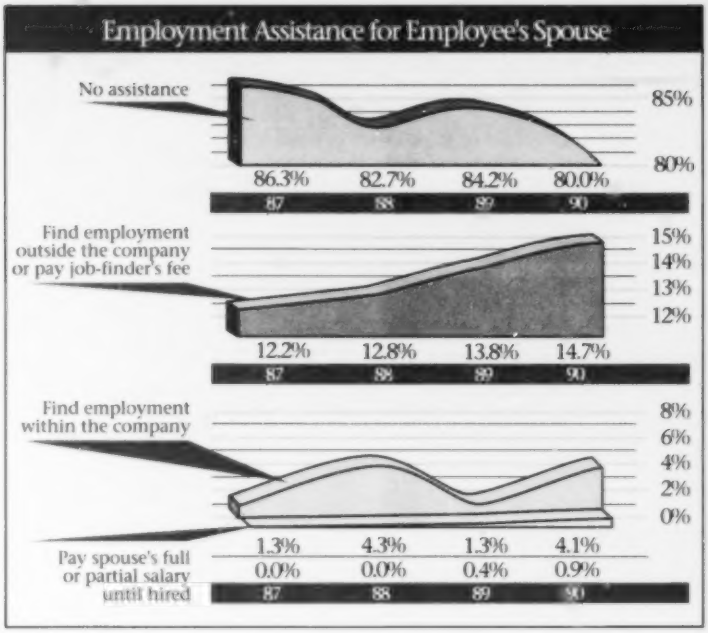

ILLUSTRATION B

Companies offering no employment assistance for a relocated employee's spouse are declining in number while the most common trailing spouse employment assistance continues to be either finding employment outside the company or paying a job-finder's fee.

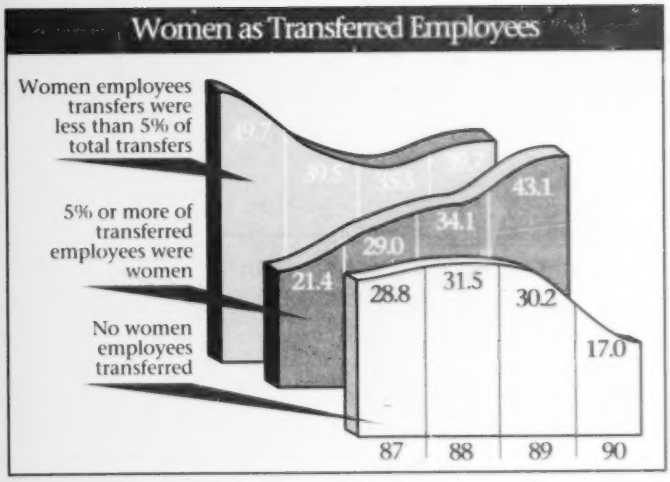

ILLUSTRATION C

Women are being relocated by their employers in growing numbers. In 1987, 21.4 percent of the responding companies reported that 5 percent or more of their transferred employees were women. During 1990, that percentage more than doubled with 43.1 percent of the companies reporting that 5 percent or more of their transferred employees were women.

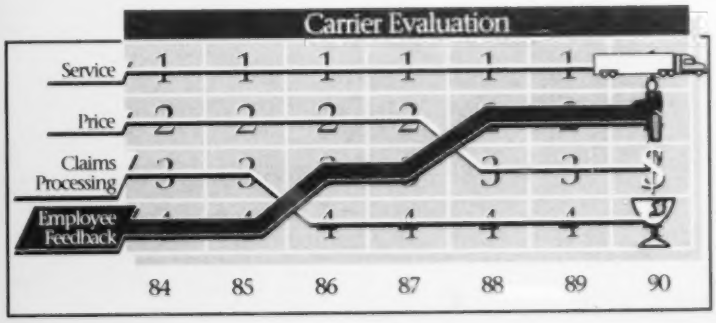

ILLUSTRATION D

When evaluating the performance of their carriers, companies have historically placed their main emphasis on the level of service provided by the carrier while price was the second most important consideration. The trend that changed this in 1988 has continued on through 1990. Service remains the primary benchmark, while employee feedback is second most important and price remains in third place.

Companies not allowing the hiring of spouses of employees fell from 22.1 percent to 13.9 percent. For the companies that do not allow the hiring of an employee's spouse, 18.1 percent say they impose no restriction on the spouse's placement while 65.4 percent say they will not place the spouse in the same department/division.

Illustration B shows a decrease in the number of companies not offering any assistance to trailing spouses. While this trend may not appear highly significant yet, it will be interesting to see how it develops over the next few years. Especially so when the rising number of dual-career families is considered. Although specifics on dual-career families are not yet gathered in this survey questionnaire, data on women employees that were relocated is included and they are definitely increasing (Illustration C).

The emphasis on "employee feedback" over the carrier's "price" continues for the third year now (Illustration D). This trend is best explained by the survey question which gathers the data, "Rank the following in terms of carrier evaluation."

In Most Relocation Policies . . .

Of the 244 companies responding to this year's survey, the majority (82.7 percent) administered their relocation policies from a centralized department and had been operating with a formal relocation policy for more than ten years (53.1 percent). Full relocation reimbursement of moving expenses is offered at 85.4 percent of the companies and the majority of companies explain their corporate relocation policy to their employees through a combination of printed materials and meetings with authorized relocation personnel within the company. Human Resources/Personnel, at 61.2 percent, was the department of majority among the respondents, and overall, there were practically as many female (48.5 percent) as male respondents (51.4 percent).

In most instances (75.6 percent), the relocation policy did not change in 1990. Most companies (55.7 percent) allow the employee two expense-paid trips to find housing in the new location and 67.5 percent give them three to six days for that purpose. The spouse is allowed two expense-paid house-hunting trips at 47.1 percent of the companies and one expense-paid trip at 41.5 percent of the companies.

Cost of living in the new location (53.8 percent) is the most often cited reason by employees for declining a relocation. A cost-of-living differential is offered at 31.0 percent of the responding companies. Most companies (65.4 percent) indicate that an employee's career is not hindered by a decision not to take a relocation.

Only 12.3 percent of the companies pay none of the home's selling costs and 14.0 percent offer no assistance in the new location. Most companies (68.5 percent) pay all fees connected with the purchase or sale of the house. Assistance with a mortgage or swing loan is offered 100 percent of the time by 48.5 percent of the responding companies and a mortgage interest differential is available 100 percent of the time by 44.6 percent of the responding companies.

The Twenty-Fourth Survey of Corporate Relocation Policies is made available at no charge from the Atlas Van Lines Public Relations Department. For additional information, please contact:

James E. Huth II
Director, Corporate Communications
Atlas Van Lines, Inc.
1212 St. George Road
Evansville, IN 47711

On behalf of Atlas Van Lines and the household goods moving industry, thank you to the 244 corporate executives who took the time and effort to complete this questionnaire. Their participation in developing this unique and valuable guideline will contribute greatly to continued improvement in household goods moving services.

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24th Annual Survey of Corporate Relocation Policies

conducted by

ATLAS VAN LINES, INC.

1212 St. George Rd.
Evansville, IN 47711
812-424-2222

Survey questions indicated either by, "Check each applicable response," or by, "(circle appropriate response to each question)," will have percentage totals exceeding 100%.

PART A -- Corporate Profile

1. Which one of the following classifications most accurately describes your company?

58.3% - Manufacturing/Processing
27.4% - Service (includes education, health care, etc.)
12.4% - Financial (includes banking, insurance, investments, etc.)
01.7% - Government/Military

2. Is your company . . . ?

22.7% - Regional
27.8% - National
49.3% - International

3. Your company's approximate annual sales for 1990 were . . .

18.9% - Less than $100 million
17.4% - $100-$249 million
12.9% - $250-$499 million
06.9% - $500-$749 million
09.9% - $750 million -$1 billion
33.8% - Over $1 billion

4. How many salaried (that is, non-hourly) people are employed by your company?

06.4% - Less than 100
12.9% - 100-249
12.9% - 250-499
16.4% - 500-999
29.0% - 1,000-4,999
22.0% - 5,000 or more

5. How long has your company had a formal relocation policy?

08.5% - No formal policy
00.4% - Less than 1 year
15.3% - 1-5 years
22.5% - 6-10 years
19.1% - 11-15 years
07.2% - 16-20 years
26.8% - Over 20 years

6. Does your company administer employee relocations from a centralized department or are relocations administered on a decentralized (regional, local office) basis?

82.7% - Centralized
17.2% - Decentralized

7. If you answered "Centralized" to question A-6, does your company's centralized relocation department (circle appropriate response to each question). . .

43.0% - Control air carrier selection?
62.0% - Control freight carrier selection?
91.7% - Control household goods carrier selection?
44.6% - Handle office relocations?
21.5% - Recommend site and space selection for office relocations?
37.9% - Handle air travel via commercial airlines?

8. If you answered "Decentralized" to question A-6, who selects the carrier for your employee's move?

43.5% - The company
07.6% - The employee
43.5% - The company and the employee together
00.0% - A relocation firm
05.1% - Other

9. Which category best represents the function of your department?

61.2% - Human Resources/Personnel
18.1% - Traffic/Transportation
06.0% - Administration
03.8% - Compensation and Benefits
05.6% - Relocation Services
05.1% - Other

10. Which is your position with the company?

00.9% - President
08.6% - Vice-President
00.9% - Assistant Vice-President
10.9% - Director
39.0% - Manager
01.3% - Department Head
07.2% - Supervisor
30.9% - Other

11. Are you . . . ?

51.4% - Male
48.5% - Female

12. How large is your department staff?

64.4% - 1-5 full-time people
16.7% - 6-10 full-time people
18.8% - 11 or more full-time people

13. How many years have you held your current position?

07.1% - Less than 1 year
18.9% - 1-2 years
29.8% - 3-5 years
19.7% - 6-10 years
24.3% - Over 10 years

14. Which publications do you regularly read?

18.5% - *Distribution*
33.8% - *Human Resource Executive*
30.9% - *Mobility*
59.0% - *HR Magazine, formerly Personnel Administrator*
20.9% - *Traffic Management*
18.5% - Traffic World
07.6% - *Transport Topics*
21.9% - *Transportation and Distribution*

15. Approximately how many employee relocations, within the U.S., was your company responsible for in 1990?

23.6% - 0-9
13.0% - 10-19
17.7% - 20-49
16.4% - 50-99
08.8% - 100-199
07.1% - 200-299
04.2% - 300-399
08.8% - 400 or more

16. What is the age category of your company's most frequently transferred salaried employee?

01.4% - Less than 25 years
17.6% - 25-30
34.2% - 31-35
32.8% - 36-40
11.4% - 41-45
02.3% - More than 45 years

17. What is the salary range of your company's most frequently transferred employee?

06.6% - Less than $30,000
22.2% - $30,000-$39,999
37.4% - $40,000-$49,999
19.4% - $50,000-$59,999
14.2% - $60,000 and higher

18. Which statement below best describes your company's practice about the frequency of relocations?

18.4% - Every two years or more often
38.3% - Once every three to five years
17.4% - Once every six to ten years
25.8% - Less frequently than once every ten years

19. In 1990, what percentage of your transferred employees were women?

17.0% - None
39.7% - Less than 5%
23.5% - 5%-10%
19.6% - 11% or more

20. Comparing the number of employee transfers in 1990 with 1989, the 1990 number . . .

07.2% - Increased greatly
28.5% - Increased moderately
07.6% - Decreased greatly
20.0% - Decreased moderately
36.5% - Remained about the same

21. Compared to 1990, do you anticipate that the number of employees your company will move during 1991 will . . .?

17.5% - Increase
31.2% - Decrease
51.2% - Remain about the same

22. Compared to 1990, do you estimate that your company's number of relocations in 1995 will be . . .?

65.6% - More
34.3% - Less

23. If the number of employee transfers changed from 1989 to 1990, what external conditions had the most significant impact on that number? (Check each applicable response.)

35.1% - Economic conditions
47.2% - Growth of company
15.5% - Lack of qualified people locally
04.0% - Growth of domestic competition
06.5% - Growth of international competition
11.5% - External conditions had no impact
12.0% - Other

24. What internal company conditions affected the change in the number of employee transfers from 1989 to 1990? (Check each applicable response.)

11.5% - Increased production
07.6% - Decreased production
16.8% - Expansion of facility
18.7% - Closing of facility
25.0% - Budget constraints
22.1% - Expansion into new territories
18.7% - Acquisitions/mergers
39.4% - Corporate reorganization
38.4% - Promotions/resignations
09.6% - International expansion
03.3% - Internal conditions had no impact
04.8% - Other

25. Does your company allow the hiring of spouses of employees?

13.9% - No
65.4% - Yes, but not in the same department/division
02.5% - Yes, but not at the same location
18.1% - Yes, without restriction

PART B -- Corporate Relocation Policies

1. How is information about your company's employee relocation policy made known to your employees?

17.2% - Employee is provided printed material describing all procedures and conditions
58.1% - Employee is provided printed material describing company policies, and this information is also explained by authorized personnel within the company
04.4% - Pre-move counseling is provided within the company
18.7% - There is no set policy--each case is handled individually and explained on a one-to-one basis
00.9% - Professional counseling is provided by a relocation firm
00.4% - Other

2. How did your corporate relocation policy change during 1990?

75.6% - Did not change
15.7% - Created a more liberal policy
08.6% - Created a more limited policy

3. To what extent does your company reimburse for moving expenses?

85.4% - Full reimbursement of moving expenses
13.3% - Partial reimbursement based on salary, position, tenure, etc.
01.2% - No reimbursement of moving expenses

4. Does your company's moving policy allow more benefits for new hires or for transferees?

04.1% - New hires
58.5% - Transferees
37.3% - No difference

5. Does your company reimburse/pay the relocating employee (circle appropriate response to each question)...

85.5% - To move an automobile?
56.3% - To move a second automobile?
24.6% - To move a boat?
44.0% - To have belongings picked up from a secondary residence (summer home, relative's home, etc.)?
09.4% - To hire temporary maid service at either the old or the new residence?
93.8% - To pack all items?
76.5% - To move unlimited weight?
36.6% - To have permanent/extended storage of some possessions?
56.7% - To move collections of highly valuable objects like statuary, paintings, and antiques?
31.2% - To move pets?
76.5% - To move recreation and lawn equipment?
27.1% - To move satellite TV dishes?
84.3% - To carry down items from an attic?

6. How many expense-paid trips does your company allow an employee to find housing in the new location?

01.7% - None
32.1% - One
55.7% - Two
08.5% - Three
01.7% - Four or more

7. How many days are allowed for a house-hunting trip?

13.4% - 1-2
35.9% - 3-4
31.6% - 5-6
19.0% - Other

8. How many expense-paid house-hunting trips is the spouse allowed?

03.4% - None
41.5% - One
47.1% - Two
06.0% - Three
01.7% - Four or more

9. How does your company assist an employee's spouse in finding employment in the new location?

80.0% - No assistance
04.1% - Pay job-finder's fee
04.1% - Find employment within the company
10.6% - Find employment outside the company
00.9% - Pay spouse's full or partial salary until hired

10. Which of the following practices does your company authorize for the buying or selling of an employee's home (circle appropriate response to each question)...

12.3% - Pay none of the selling costs?
10.2% - Pay only the real estate commission?
68.5% - Pay all fees connected with the purchase or sale of the house (lawyer, title, land, surveys, etc.)?
35.3% - Guarantee a sale price for the employee's former residence?
42.1% - Actually purchase the employee's former residence?
71.0% - Pay a lease-termination penalty?
00.8% - Assist in the sale of a vacation home?
14.0% - Offer no assistance in the new location?
48.5% - Assist with the arrangement of a mortgage or swing loan?
39.5% - Pay a cash bonus?
44.6% - Offer a mortgage-interest differential?
31.0% - Offer a cost-of-living differential?

11. If your company will buy an employee's former residence, how do you determine the sale price?

77.4% - Pay the average of several appraisals
04.0% - Pay the employee's appraised value
01.6% - Negotiate with the employee
00.0% - Pay the employee's asking price
10.4% - Arrange with a national realtor to act on behalf of the company and the employee
06.4% - Other

12. During 1990, what was the average cost to your company per domestic move for...

$5,415 - Direct moving services (van line packing and transportation)?
$4,493 - Indirect moving services (motel accomodations, family transportation, meals, maid service, appliance servicing, spousal counseling, and similiar items)?

13. The total moving cost (total of the three costs for services in question B-12) is what percentage of your company's total cost of relocating an employee?

12.8% - Less than 10%
17.7% - 11%-25%
15.9% - 26%-49%
14.1% - 50%-74%
39.2% - 75% or more

14. What protection coverage does your company authorize for the transportation of the household goods?

11.2% - A released rate of 60¢ per pound per article
16.5% - Declared value protection (depreciation value)
72.1% - Full replacement value protection

15. Who is the provider of transit protection for relocating employees' goods?

77.9% - Van line
06.4% - Outside insurance company
14.2% - Company is self-insured
01.3% - Employee provides

16. How frequently is an employee's relocation affected by the employment status of that employee's spouse?

04.7% - Almost always
23.9% - Frequently
60.0% - Seldom
11.3% - Never

17. Did at least one of your employees decline the opportunity to relocate during 1989?

75.5% - Yes
24.4% - No

18. If you answered "Yes" to question B-17, did the number of employees declining relocation in 1989 . . .?

17.6% - Increase from the 1989 level
05.8% - Decrease from the 1989 level
76.4% - Remain about the same as the 1989 level

19. What reasons did the employees give for declining relocation? (Check each applicable response.)

53.8% - Cost of living in the new location
47.3% - Family ties
41.3% - Housing/mortgage concerns
44.9% - Spouse's employment
44.9% - No desire to move
20.3% - Personal
02.9% - Other

20. Does declining the opportunity to relocate usually hinder an employee's career?

34.5% - Yes
65.4% - No

21. Which category of your company's work force is most likely to experience the greatest number of relocations?

46.0% - Sales
14.8% - Plant/facility management
15.8% - Engineering
00.5% - Data processing
12.1% - Administration
02.6% - Research and development
02.1% - Finance
05.8% - Marketing

22. Rank the following in terms of relocation activity ("1" = the busiest period).

4 - December 1989 - February 1990
2 - March 1990 - May 1990
1 - June 1990 - August 1990
3 - September 1990 - November 1990

PART C -- Transportation

1. With how many carriers does your company have contractual agreements for the transportation of household goods?

31.4% - One carrier
24.0% - Two carriers
19.4% - Three carriers
25.0% - Four or more carriers

2. Does your company have contractual agreements for the transportation/handling of . . .? (Check each applicable response.)

29.3% - Products
21.8% - Exhibits
94.0% - Employee relocations
19.4% - General commodities
30.8% - Computers and/or office equipment

3. If your company entered into a contract carriage agreement during 1990, what was the primary reason?

39.5% - Cost
47.5% - Service
11.2% - Reliability
01.6% - Claims Processing

4. In terms of evaluation, what has been your company's experience with such contract carriage arrangements?

49.1% - Excellent
47.5% - Good
03.2% - Fair
00.0% - Poor

5. Does your company use the services of a relocation service or a brokerage firm? (Check each applicable response.)

41.9% - Relocation service
06.7% - Brokerage firm
53.8% - Relocation and brokerage services not used

6. If you used a relocation service or a brokerage firm in 1990, which services did it provide? (Check each applicable response.)

39.5% - Counseling about the planning and details of moving
23.2% - Counseling about company policy
93.0% - Real estate sale and purchase
44.1% - Orientation tours in the new location
06.9% - Arrangement of family's transportation and accommodations
15.1% - Contact of household goods moving company
13.9% - Audit and/or payment of invoice
12.7% - Monitoring of shipment
12.7% - Assistance with employee claims preparation and submission
05.8% - Supplementary services (appliances, cleaning, etc.)

7. Would your company consider "one-stop shopping" as a means of securing all of its needed relocation services? That is, would you obtain — through a single source — real estate services, transportation services, counseling services, and so on?

21.6% - Yes
78.3% - No

8. Rank the following guidelines in terms of carrier selection ("1" = the most important).

1 - Service
2 - Price
5 - Claims processing
3 - Reputation
4 - Local Agent(s)

9. Rank the following in terms of carrier evaluation ("1" = the most important).

1 - Service
2 - Employee feedback
4 - Claims processing
3 - Price

10. From your relocating employees' perspectives, rank the following parts or aspects of a move in terms of importance ("1" = the most important).

2 - Salesperson/Origin Agent
1 - Packer
3 - Driver
5 - Destination Agent
4 - Claim processing in the event of loss or damage

11. When comparing the van line service you received in 1990 to that received in 1989, would you say that van line service in 1990 was. . .?

25.1% - Better than 1989
04.3% - Worse than 1989
70.5% - About the same as 1989

12. Is there a topic or question not in this survey which you believe should be in next year's survey?

89.0% - No
10.9% - Yes, specify

13. During 1990 were there any "exceptions" to your relocation policy that seemed to be occurring more often?

71.0% - No
28.9% - Yes, specify

PART D -- International Relocations

(TO BE COMPLETED ONLY IF YOUR COMPANY PERFORMED ANY INTERNATIONAL RELOCATIONS DURING 1990)

1. Approximately how many international employee relocations was your company responsible for in 1990?

69.6% - 0-9
06.3% - 10-19
10.1% - 20-49
05.0% - 50-99
05.0% - 100-199
03.7% - More than 200

2. Compared to 1990, do you estimate the number of employees your company will relocate internationally during 1991 will . . .?

18.9% - Increase
21.5% - Decrease
59.4% - Remain about the same

3. Which is your primary contact for international relocations?

22.6% - Van line
42.6% - Van line agent
21.3% - International forwarder
10.6% - Third party
02.6% - Other

4. Rank the following for international carrier selection ("1" = the most important).

1 - Service
2 - Price
4 - Third party
3 - Reputation

5. Rank the following guidelines for international carrier evaluation ("1" = the most important).

1 - Service
2 - Employee feedback
4 - Claims processing
3 - Price

6. Does your company utilize Electronic Data Interchange (EDI) interface capabilities on international shipments?

77.9% - Never
16.1% - Seldom
04.4% - Frequently
01.4% - Always

7. Apart from the physical handling of personal belongings, do you believe that the International Household Goods Forwarding Industry provides sufficient service in these areas of the relocation process (circle appropriate response to each area). . .

45.8% - Visa and document services?
33.3% - Travel services?
29.1% - Schooling and education?
41.6% - Cultural indoctrination?
33.3% - Auto rentals/leases?
29.1% - Legal and financial indoctrination?
06.2% - Other?

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